



Opening Statement of Rep. Greg Murphy (R-NC), Republican Leader Subcommittee on Higher Education and Workforce Investment Hearing: "Homecoming: The Historical Roots and Continued Contributions of HBCUs"

October 6, 2021

(As prepared for delivery)

"Historically Black Colleges and Universities (HBCUs) are an important asset to the higher education landscape. For decades, these institutions have provided Black Americans with unique opportunities to pursue their degree and become a vital part of the workforce.

"For almost 200 years, HBCUs have embodied the true American spirit and have overcome immeasurable challenges and hardships. Today, the over 100 HBCUs play a vital role in their communities and are pivotal in the education of our nation's future leaders. This includes Elizabeth City State University in North Carolina's 3rd Congressional District, which I am proud to represent. I have visited that wonderful University many times and consider their chancellor, Karrie Dixon, a true gem in the world of academia. She has led that institution to develop smart minds that will seek out opportunity and succeed.

"Yet the financial stress wrought by COVID-19 is requiring many institutions to take a hard look at their business models and HBCUs are no exception. Colleges and universities of all kinds need to begin asking the difficult questions about financial accountability.

"One thing we know is that government intervention often does more harm than good; this is especially true in education. We must encourage all institutions of higher education, including HBCUs, to become more self-reliant.

"Reliance on the federal government for funding is inherently unstable. While we

fully support these institutions, we believe they must develop sustainable funding mechanisms to ensure their longevity. This goes for HBCU's as well as other educational institutions.

"As is often the case, more money is not the answer and does not address the underlying problems facing HBCUs. These colleges and universities already receive a tremendous amount of federal aid. In 2019, Congress provided HBCUs, along with other Minority-serving institutions, a permanent mandatory funding stream on top of their annual appropriation. Additionally, since March 2020, HBCUs and MSIs have received an additional \$6 billion in targeted, direct aid, on top of the annual funding they receive through the Higher Education Act. This includes \$1 billion in CARES Act funding, \$1.7 billion in the Coronavirus Response and Relief Supplemental Appropriations Act, \$3 billion in American Rescue Plan funds, as well as an additional \$1.6 billion in capital financing loan discharges.

"Even with this massive amount of spending, some Democrats like Senators Cory Booker and Bernie Sanders want to see that number increased by another \$100 billion while President Biden's so-called Build Back Better agenda proposes over \$30 billion in additional spending on HBCUs.

"This is an absurd amount of money.

"While federal funding may provide temporary support, we must encourage HBCUs to be more innovative, develop strategic business models, and work with the private sector to help their students complete their programs and excel in the workforce.

"HBCUs, as with any educational institution, also cannot be exempt from accountability. Any institution receiving tax dollars must be held to a high standard. Underperforming HBCUs, as with any educational institution, should not be propped up by federal dollars indefinitely. We need to ensure that HBCUs and all postsecondary institutions better serve their students.

"Easy access to taxpayer dollars creates perverse incentives for these institutions to hike tuition costs. I have spoken extensively on administrative bloat and HBCU's are not excluded from this discussion. Knowing the federal government will step in and subsidize price hikes allows institutions to then justify indiscriminate spending on administrative bloat and unnecessary programs.

Taxpayer dollars are meant to improve students' educational outcomes and experiences, not the salaries of staff and administrators.

"We should encourage HBCUs to increase and diversify their funding streams and get their institutions on stronger financial footing—all so they can continue to educate future generations."

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